



Rep. Kevin A. McCarthy

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1 AMENDMENT TO SENATE BILL 1292

2 AMENDMENT NO. _____. Amend Senate Bill 1292, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 1. Legislative intention; assist our most
6 vulnerable citizens. It is the intention of the General
7 Assembly in enacting this legislation that, by applying
8 \$2,230,000,000 of the net proceeds of the sale of general
9 obligation bonds authorized by this amendatory Act of the 96th
10 General Assembly to fund pension obligations of the State, an
11 equivalent amount will be made available for the State's
12 operational expenses in these times of fiscal crisis to help
13 fund programs and services provided by community-based human
14 service providers to ensure that we continue assisting the most
15 vulnerable of our citizens.

16 Section 5. The General Obligation Bond Act is amended by

1 changing Sections 2, 2.5, 7.2, 9, 11, and 15 as follows:

2 (30 ILCS 330/2) (from Ch. 127, par. 652)

3 Sec. 2. Authorization for Bonds. The State of Illinois is
4 authorized to issue, sell and provide for the retirement of
5 General Obligation Bonds of the State of Illinois for the
6 categories and specific purposes expressed in Sections 2
7 through 8 of this Act, in the total amount of \$34,159,149,369
8 ~~\$30,693,149,369~~.

9 The bonds authorized in this Section 2 and in Section 16 of
10 this Act are herein called "Bonds".

11 Of the total amount of Bonds authorized in this Act, up to
12 \$2,200,000,000 in aggregate original principal amount may be
13 issued and sold in accordance with the Baccalaureate Savings
14 Act in the form of General Obligation College Savings Bonds.

15 Of the total amount of Bonds authorized in this Act, up to
16 \$300,000,000 in aggregate original principal amount may be
17 issued and sold in accordance with the Retirement Savings Act
18 in the form of General Obligation Retirement Savings Bonds.

19 Of the total amount of Bonds authorized in this Act, the
20 additional \$10,000,000,000 authorized by Public Act 93-2 and
21 the \$3,466,000,000 authorized by this amendatory Act of the
22 96th General Assembly ~~this amendatory Act of the 93rd General~~
23 ~~Assembly~~ shall be used solely as provided in Section 7.2.

24 The issuance and sale of Bonds pursuant to the General
25 Obligation Bond Act is an economical and efficient method of

1 financing the long-term capital needs of the State. This Act
2 will permit the issuance of a multi-purpose General Obligation
3 Bond with uniform terms and features. This will not only lower
4 the cost of registration but also reduce the overall cost of
5 issuing debt by improving the marketability of Illinois General
6 Obligation Bonds.

7 (Source: P.A. 95-1026, eff. 1-12-09; 96-5, eff. 4-3-09.)

8 (30 ILCS 330/2.5)

9 Sec. 2.5. Limitation on issuance of Bonds.

10 (a) Except as provided in subsection (b), no Bonds may be
11 issued if, after the issuance, in the next State fiscal year
12 after the issuance of the Bonds, the amount of debt service
13 (including principal, whether payable at maturity or pursuant
14 to mandatory sinking fund installments, and interest) on all
15 then-outstanding Bonds, other than Bonds authorized by this
16 amendatory Act of the 96th General Assembly, would exceed 7% of
17 the aggregate appropriations from the general funds (which
18 consist of the General Revenue Fund, the Common School Fund,
19 the General Revenue Common School Special Account Fund, and the
20 Education Assistance Fund) and the Road Fund for the fiscal
21 year immediately prior to the fiscal year of the issuance.

22 (b) If the Comptroller and Treasurer each consent in
23 writing, Bonds may be issued even if the issuance does not
24 comply with subsection (a).

25 (Source: P.A. 93-839, eff. 7-30-04.)

1 (30 ILCS 330/7.2)

2 Sec. 7.2. State pension funding.

3 (a) The amount of \$10,000,000,000 is authorized to be used
4 for the purpose of making contributions to the designated
5 retirement systems. For the purposes of this Section,
6 "designated retirement systems" means the State Employees'
7 Retirement System of Illinois; the Teachers' Retirement System
8 of the State of Illinois; the State Universities Retirement
9 System; the Judges Retirement System of Illinois; and the
10 General Assembly Retirement System.

11 The amount of \$3,466,000,000 of Bonds authorized by this
12 amendatory Act of the 96th General Assembly is authorized to be
13 used for the purpose of making a portion of the State's Fiscal
14 Year 2010 required contributions to the designated retirement
15 systems.

16 (b) The Pension Contribution Fund is created as a special
17 fund in the State Treasury.

18 The proceeds of the additional \$10,000,000,000 of Bonds
19 authorized by Public Act 93-2 ~~this amendatory Act of the 93rd~~
20 ~~General Assembly~~, less the amounts authorized in the Bond Sale
21 Order to be deposited directly into the capitalized interest
22 account of the General Obligation Bond Retirement and Interest
23 Fund or otherwise directly paid out for bond sale expenses
24 under Section 8, shall be deposited into the Pension
25 Contribution Fund and used as provided in this Section.

1 The proceeds of the additional \$3,466,000,000 of Bonds
2 authorized by this amendatory Act of the 96th General Assembly,
3 less the amounts directly paid out for bond sale expenses under
4 Section 8, shall be deposited into the Pension Contribution
5 Fund, and the Comptroller and the Treasurer shall, as soon as
6 practical, (i) first, transfer from the Pension Contribution
7 Fund to the General Revenue Fund or Common School Fund an
8 amount equal to the amount of payments, if any, made to the
9 designated retirement systems from the General Revenue Fund or
10 Common School Fund in State fiscal year 2010 and (ii) second,
11 make transfers from the Pension Contribution Fund to the
12 designated retirement systems pursuant to Sections 2-124,
13 14-131, 15-155, 16-158, and 18-131 of the Illinois Pension
14 Code.

15 (c) Of the amount of Bond proceeds from the bond sale
16 authorized by Public Act 93-2 first deposited into the Pension
17 Contribution Fund, there shall be reserved for transfers under
18 this subsection the sum of \$300,000,000, representing the
19 required State contributions to the designated retirement
20 systems for the last quarter of State fiscal year 2003, plus
21 the sum of \$1,860,000,000, representing the required State
22 contributions to the designated retirement systems for State
23 fiscal year 2004.

24 Upon the deposit of sufficient moneys from the bond sale
25 authorized by Public Act 93-2 into the Pension Contribution
26 Fund, the Comptroller and Treasurer shall immediately transfer

1 the sum of \$300,000,000 from the Pension Contribution Fund to
2 the General Revenue Fund.

3 Whenever any payment of required State contributions for
4 State fiscal year 2004 is made to one of the designated
5 retirement systems, the Comptroller and Treasurer shall, as
6 soon as practicable, transfer from the Pension Contribution
7 Fund to the General Revenue Fund an amount equal to the amount
8 of that payment to the designated retirement system. Beginning
9 on the effective date of this amendatory Act of the 93rd
10 General Assembly, the transfers from the Pension Contribution
11 Fund to the General Revenue Fund shall be suspended until June
12 30, 2004, and the remaining balance in the Pension Contribution
13 Fund shall be transferred directly to the designated retirement
14 systems as provided in Section 6z-61 of the State Finance Act.
15 On and after July 1, 2004, in the event that any amount is on
16 deposit in the Pension Contribution Fund from time to time, the
17 Comptroller and Treasurer shall continue to make such transfers
18 based on fiscal year 2005 payments until the entire amount on
19 deposit has been transferred.

20 (d) All amounts deposited into the Pension Contribution
21 Fund, other than the amounts reserved for the transfers under
22 subsection (c) from the bond sale authorized by Public Act 93-2
23 and other than amounts deposited into the Pension Contribution
24 Fund from the bond sale authorized by this amendatory Act of
25 the 96th General Assembly, shall be appropriated to the
26 designated retirement systems to reduce their actuarial

1 reserve deficiencies. The amount of the appropriation to each
2 designated retirement system shall constitute a portion of the
3 total appropriation under this subsection that is the same as
4 that retirement system's portion of the total actuarial reserve
5 deficiency of the systems, as most recently determined by the
6 Governor's Office of Management and Budget under Section 8.12
7 of the State Finance Act.

8 With respect to proceeds from the bond sale authorized by
9 Public Act 93-2 only, within ~~Within~~ 15 days after any Bond
10 proceeds in excess of the amounts initially reserved under
11 subsection (c) are deposited into the Pension Contribution
12 Fund, the Governor's Office of Management and Budget shall (i)
13 allocate those proceeds among the designated retirement
14 systems in proportion to their respective actuarial reserve
15 deficiencies, as most recently determined under Section 8.12 of
16 the State Finance Act, and (ii) certify those allocations to
17 the designated retirement systems and the Comptroller.

18 Upon receiving certification of an allocation under this
19 subsection, a designated retirement system shall submit to the
20 Comptroller a voucher for the amount of its allocation. The
21 voucher shall be paid out of the amount appropriated to that
22 designated retirement system from the Pension Contribution
23 Fund pursuant to this subsection.

24 (Source: P.A. 93-2, eff. 4-7-03; 93-665, eff. 3-5-04.)

1 Sec. 9. Conditions for Issuance and Sale of Bonds -
2 Requirements for Bonds.

3 (a) Except as otherwise provided in this subsection, Bonds
4 shall be issued and sold from time to time, in one or more
5 series, in such amounts and at such prices as may be directed
6 by the Governor, upon recommendation by the Director of the
7 Governor's Office of Management and Budget. Bonds shall be in
8 such form (either coupon, registered or book entry), in such
9 denominations, payable within 25 years from their date, subject
10 to such terms of redemption with or without premium, bear
11 interest payable at such times and at such fixed or variable
12 rate or rates, and be dated as shall be fixed and determined by
13 the Director of the Governor's Office of Management and Budget
14 in the order authorizing the issuance and sale of any series of
15 Bonds, which order shall be approved by the Governor and is
16 herein called a "Bond Sale Order"; provided however, that
17 interest payable at fixed or variable rates shall not exceed
18 that permitted in the Bond Authorization Act, as now or
19 hereafter amended. Bonds shall be payable at such place or
20 places, within or without the State of Illinois, and may be
21 made registrable as to either principal or as to both principal
22 and interest, as shall be specified in the Bond Sale Order.
23 Bonds may be callable or subject to purchase and retirement or
24 tender and remarketing as fixed and determined in the Bond Sale
25 Order. Bonds must be issued with principal or mandatory
26 redemption amounts in equal amounts, with the first maturity

1 issued occurring within the fiscal year in which the Bonds are
2 issued or within the next succeeding fiscal year, with Bonds
3 issued maturing or subject to mandatory redemption each fiscal
4 year thereafter up to 25 years. Notwithstanding any provision
5 of this Act to the contrary, the Bonds authorized by this
6 amendatory Act of the 96th General Assembly shall be payable
7 within 5 years from their date and must be issued with
8 principal or mandatory redemption amounts in equal amounts,
9 with payment of principal or mandatory redemption beginning in
10 the first fiscal year following the fiscal year in which the
11 Bonds are issued.

12 In the case of any series of Bonds bearing interest at a
13 variable interest rate ("Variable Rate Bonds"), in lieu of
14 determining the rate or rates at which such series of Variable
15 Rate Bonds shall bear interest and the price or prices at which
16 such Variable Rate Bonds shall be initially sold or remarketed
17 (in the event of purchase and subsequent resale), the Bond Sale
18 Order may provide that such interest rates and prices may vary
19 from time to time depending on criteria established in such
20 Bond Sale Order, which criteria may include, without
21 limitation, references to indices or variations in interest
22 rates as may, in the judgment of a remarketing agent, be
23 necessary to cause Variable Rate Bonds of such series to be
24 remarketable from time to time at a price equal to their
25 principal amount, and may provide for appointment of a bank,
26 trust company, investment bank, or other financial institution

1 to serve as remarketing agent in that connection. The Bond Sale
2 Order may provide that alternative interest rates or provisions
3 for establishing alternative interest rates, different
4 security or claim priorities, or different call or amortization
5 provisions will apply during such times as Variable Rate Bonds
6 of any series are held by a person providing credit or
7 liquidity enhancement arrangements for such Bonds as
8 authorized in subsection (b) of this Section. The Bond Sale
9 Order may also provide for such variable interest rates to be
10 established pursuant to a process generally known as an auction
11 rate process and may provide for appointment of one or more
12 financial institutions to serve as auction agents and
13 broker-dealers in connection with the establishment of such
14 interest rates and the sale and remarketing of such Bonds.

15 (b) In connection with the issuance of any series of Bonds,
16 the State may enter into arrangements to provide additional
17 security and liquidity for such Bonds, including, without
18 limitation, bond or interest rate insurance or letters of
19 credit, lines of credit, bond purchase contracts, or other
20 arrangements whereby funds are made available to retire or
21 purchase Bonds, thereby assuring the ability of owners of the
22 Bonds to sell or redeem their Bonds. The State may enter into
23 contracts and may agree to pay fees to persons providing such
24 arrangements, but only under circumstances where the Director
25 of the Governor's Office of Management and Budget certifies
26 that he or she reasonably expects the total interest paid or to

1 be paid on the Bonds, together with the fees for the
2 arrangements (being treated as if interest), would not, taken
3 together, cause the Bonds to bear interest, calculated to their
4 stated maturity, at a rate in excess of the rate that the Bonds
5 would bear in the absence of such arrangements.

6 The State may, with respect to Bonds issued or anticipated
7 to be issued, participate in and enter into arrangements with
8 respect to interest rate protection or exchange agreements,
9 guarantees, or financial futures contracts for the purpose of
10 limiting, reducing, or managing interest rate exposure. The
11 authority granted under this paragraph, however, shall not
12 increase the principal amount of Bonds authorized to be issued
13 by law. The arrangements may be executed and delivered by the
14 Director of the Governor's Office of Management and Budget on
15 behalf of the State. Net payments for such arrangements shall
16 constitute interest on the Bonds and shall be paid from the
17 General Obligation Bond Retirement and Interest Fund. The
18 Director of the Governor's Office of Management and Budget
19 shall at least annually certify to the Governor and the State
20 Comptroller his or her estimate of the amounts of such net
21 payments to be included in the calculation of interest required
22 to be paid by the State.

23 (c) Prior to the issuance of any Variable Rate Bonds
24 pursuant to subsection (a), the Director of the Governor's
25 Office of Management and Budget shall adopt an interest rate
26 risk management policy providing that the amount of the State's

1 variable rate exposure with respect to Bonds shall not exceed
2 20%. This policy shall remain in effect while any Bonds are
3 outstanding and the issuance of Bonds shall be subject to the
4 terms of such policy. The terms of this policy may be amended
5 from time to time by the Director of the Governor's Office of
6 Management and Budget but in no event shall any amendment cause
7 the permitted level of the State's variable rate exposure with
8 respect to Bonds to exceed 20%.

9 (Source: P.A. 92-16, eff. 6-28-01; 93-9, eff. 6-3-03; 93-666,
10 eff. 3-5-04; 93-839, eff. 7-30-04.)

11 (30 ILCS 330/11) (from Ch. 127, par. 661)

12 Sec. 11. Sale of Bonds. Except as otherwise provided in
13 this Section, Bonds shall be sold from time to time pursuant to
14 notice of sale and public bid or by negotiated sale in such
15 amounts and at such times as is directed by the Governor, upon
16 recommendation by the Director of the Governor's Office of
17 Management and Budget. At least 25%, based on total principal
18 amount, of all Bonds issued each fiscal year shall be sold
19 pursuant to notice of sale and public bid. At all times during
20 each fiscal year, no more than 75%, based on total principal
21 amount, of the Bonds issued each fiscal year, shall have been
22 sold by negotiated sale. Failure to satisfy the requirements in
23 the preceding 2 sentences shall not affect the validity of any
24 previously issued Bonds; provided that all Bonds authorized by
25 this amendatory Act of the 96th General Assembly shall not be

1 included in determining compliance for any fiscal year with the
2 requirements of the preceding 2 sentences; and further provided
3 that refunding Bonds satisfying the requirements of Section 16
4 of this Act and sold during fiscal year 2009, 2010, or 2011
5 shall not be subject to the requirements in the preceding 2
6 sentences.

7 If any Bonds, including refunding Bonds, are to be sold by
8 negotiated sale, the Director of the Governor's Office of
9 Management and Budget shall comply with the competitive request
10 for proposal process set forth in the Illinois Procurement Code
11 and all other applicable requirements of that Code.

12 If Bonds are to be sold pursuant to notice of sale and
13 public bid, the Director of the Governor's Office of Management
14 and Budget shall, from time to time, as Bonds are to be sold,
15 advertise the sale of the Bonds in at least 2 daily newspapers,
16 one of which is published in the City of Springfield and one in
17 the City of Chicago. The sale of the Bonds shall also be
18 advertised in the volume of the Illinois Procurement Bulletin
19 that is published by the Department of Central Management
20 Services. Each of the advertisements for proposals shall be
21 published once at least 10 days prior to the date fixed for the
22 opening of the bids. The Director of the Governor's Office of
23 Management and Budget may reschedule the date of sale upon the
24 giving of such additional notice as the Director deems adequate
25 to inform prospective bidders of such change; provided,
26 however, that all other conditions of the sale shall continue

1 as originally advertised.

2 Executed Bonds shall, upon payment therefor, be delivered
3 to the purchaser, and the proceeds of Bonds shall be paid into
4 the State Treasury as directed by Section 12 of this Act.

5 (Source: P.A. 96-18, eff. 6-26-09.)

6 (30 ILCS 330/15) (from Ch. 127, par. 665)

7 Sec. 15. Computation of Principal and Interest; transfers.

8 (a) Upon each delivery of Bonds authorized to be issued
9 under this Act, the Comptroller shall compute and certify to
10 the Treasurer the total amount of principal of, interest on,
11 and premium, if any, on Bonds issued that will be payable in
12 order to retire such Bonds and the amount of principal of,
13 interest on and premium, if any, on such Bonds that will be
14 payable on each payment date according to the tenor of such
15 Bonds during the then current and each succeeding fiscal year.
16 With respect to the interest payable on variable rate bonds,
17 such certifications shall be calculated at the maximum rate of
18 interest that may be payable during the fiscal year, after
19 taking into account any credits permitted in the related
20 indenture or other instrument against the amount of such
21 interest required to be appropriated for such period pursuant
22 to subsection (c) of Section 14 of this Act. With respect to
23 the interest payable, such certifications shall include the
24 amounts certified by the Director of the Governor's Office of
25 Management and Budget under subsection (b) of Section 9 of this

1 Act.

2 On or before the last day of each month the State Treasurer
3 and Comptroller shall transfer from (1) the Road Fund with
4 respect to Bonds issued under paragraph (a) of Section 4 of
5 this Act or Bonds issued for the purpose of refunding such
6 bonds, and from (2) the General Revenue Fund, with respect to
7 all other Bonds issued under this Act, to the General
8 Obligation Bond Retirement and Interest Fund an amount
9 sufficient to pay the aggregate of the principal of, interest
10 on, and premium, if any, on Bonds payable, by their terms on
11 the next payment date divided by the number of full calendar
12 months between the date of such Bonds and the first such
13 payment date, and thereafter, divided by the number of months
14 between each succeeding payment date after the first. Such
15 computations and transfers shall be made for each series of
16 Bonds issued and delivered. Interest payable on variable rate
17 bonds shall be calculated at the maximum rate of interest that
18 may be payable for the relevant period, after taking into
19 account any credits permitted in the related indenture or other
20 instrument against the amount of such interest required to be
21 appropriated for such period pursuant to subsection (c) of
22 Section 14 of this Act. Computations of interest shall include
23 the amounts certified by the Director of the Governor's Office
24 of Management and Budget under subsection (b) of Section 9 of
25 this Act. Interest for which moneys have already been deposited
26 into the capitalized interest account within the General

1 Obligation Bond Retirement and Interest Fund shall not be
2 included in the calculation of the amounts to be transferred
3 under this subsection. Notwithstanding any other provision in
4 this Section, the transfer provisions provided in this
5 paragraph shall not apply to transfers made in fiscal year 2010
6 with respect to Bonds issued in fiscal year 2010 pursuant to
7 Section 7.2 of this Act. In the case of transfers made in
8 fiscal year 2010 with respect to the Bonds issued in fiscal
9 year 2010 pursuant to Section 7.2 of this Act, on or before the
10 15th day of the month prior to the required debt service
11 payment, the State Treasurer and Comptroller shall transfer
12 from the General Revenue Fund to the General Obligation Bond
13 Retirement and Interest Fund an amount sufficient to pay the
14 aggregate of the principal of, interest on, and premium, if
15 any, on the Bonds payable in that next month.

16 The transfer of monies herein and above directed is not
17 required if monies in the General Obligation Bond Retirement
18 and Interest Fund are more than the amount otherwise to be
19 transferred as herein above provided, and if the Governor or
20 his authorized representative notifies the State Treasurer and
21 Comptroller of such fact in writing.

22 (b) After the effective date of this Act, the balance of,
23 and monies directed to be included in the Capital Development
24 Bond Retirement and Interest Fund, Anti-Pollution Bond
25 Retirement and Interest Fund, Transportation Bond, Series A
26 Retirement and Interest Fund, Transportation Bond, Series B

1 Retirement and Interest Fund, and Coal Development Bond
2 Retirement and Interest Fund shall be transferred to and
3 deposited in the General Obligation Bond Retirement and
4 Interest Fund. This Fund shall be used to make debt service
5 payments on the State's general obligation Bonds heretofore
6 issued which are now outstanding and payable from the Funds
7 herein listed as well as on Bonds issued under this Act.

8 (c) The unused portion of federal funds received for a
9 capital facilities project, as authorized by Section 3 of this
10 Act, for which monies from the Capital Development Fund have
11 been expended shall be deposited upon completion of the project
12 in the General Obligation Bond Retirement and Interest Fund.
13 Any federal funds received as reimbursement for the completed
14 construction of a capital facilities project, as authorized by
15 Section 3 of this Act, for which monies from the Capital
16 Development Fund have been expended shall be deposited in the
17 General Obligation Bond Retirement and Interest Fund.

18 (Source: P.A. 93-2, eff. 4-7-03; 93-9, eff. 6-3-03; 94-793,
19 eff. 5-19-06.)

20 Section 10. The Illinois Pension Code is amended by
21 changing Sections 2-124, 14-131, 15-155, 16-158, and 18-131 as
22 follows:

23 (40 ILCS 5/2-124) (from Ch. 108 1/2, par. 2-124)

24 Sec. 2-124. Contributions by State.

1 (a) The State shall make contributions to the System by
2 appropriations of amounts which, together with the
3 contributions of participants, interest earned on investments,
4 and other income will meet the cost of maintaining and
5 administering the System on a 90% funded basis in accordance
6 with actuarial recommendations.

7 (b) The Board shall determine the amount of State
8 contributions required for each fiscal year on the basis of the
9 actuarial tables and other assumptions adopted by the Board and
10 the prescribed rate of interest, using the formula in
11 subsection (c).

12 (c) For State fiscal years 2011 through 2045, the minimum
13 contribution to the System to be made by the State for each
14 fiscal year shall be an amount determined by the System to be
15 sufficient to bring the total assets of the System up to 90% of
16 the total actuarial liabilities of the System by the end of
17 State fiscal year 2045. In making these determinations, the
18 required State contribution shall be calculated each year as a
19 level percentage of payroll over the years remaining to and
20 including fiscal year 2045 and shall be determined under the
21 projected unit credit actuarial cost method.

22 For State fiscal years 1996 through 2005, the State
23 contribution to the System, as a percentage of the applicable
24 employee payroll, shall be increased in equal annual increments
25 so that by State fiscal year 2011, the State is contributing at
26 the rate required under this Section.

1 Notwithstanding any other provision of this Article, the
2 total required State contribution for State fiscal year 2006 is
3 \$4,157,000.

4 Notwithstanding any other provision of this Article, the
5 total required State contribution for State fiscal year 2007 is
6 \$5,220,300.

7 For each of State fiscal years 2008 through 2009 ~~2010~~, the
8 State contribution to the System, as a percentage of the
9 applicable employee payroll, shall be increased in equal annual
10 increments from the required State contribution for State
11 fiscal year 2007, so that by State fiscal year 2011, the State
12 is contributing at the rate otherwise required under this
13 Section.

14 Notwithstanding any other provision of this Article, the
15 total required State contribution for State fiscal year 2010 is
16 \$10,454,000 and shall be made from the proceeds of bonds sold
17 in fiscal year 2010 pursuant to Section 7.2 of the General
18 Obligation Bond Act, less (i) the pro rata share of bond sale
19 expenses determined by the System's share of total bond
20 proceeds, (ii) any amounts received from the General Revenue
21 Fund in fiscal year 2010, and (iii) any reduction in bond
22 proceeds due to the issuance of discounted bonds, if
23 applicable.

24 Beginning in State fiscal year 2046, the minimum State
25 contribution for each fiscal year shall be the amount needed to
26 maintain the total assets of the System at 90% of the total

1 actuarial liabilities of the System.

2 Amounts received by the System pursuant to Section 25 of
3 the Budget Stabilization Act or Section 8.12 of the State
4 Finance Act in any fiscal year do not reduce and do not
5 constitute payment of any portion of the minimum State
6 contribution required under this Article in that fiscal year.
7 Such amounts shall not reduce, and shall not be included in the
8 calculation of, the required State contributions under this
9 Article in any future year until the System has reached a
10 funding ratio of at least 90%. A reference in this Article to
11 the "required State contribution" or any substantially similar
12 term does not include or apply to any amounts payable to the
13 System under Section 25 of the Budget Stabilization Act.

14 Notwithstanding any other provision of this Section, the
15 required State contribution for State fiscal year 2005 and for
16 fiscal year 2008 and each fiscal year thereafter, as calculated
17 under this Section and certified under Section 2-134, shall not
18 exceed an amount equal to (i) the amount of the required State
19 contribution that would have been calculated under this Section
20 for that fiscal year if the System had not received any
21 payments under subsection (d) of Section 7.2 of the General
22 Obligation Bond Act, minus (ii) the portion of the State's
23 total debt service payments for that fiscal year on the bonds
24 issued for the purposes of that Section 7.2, as determined and
25 certified by the Comptroller, that is the same as the System's
26 portion of the total moneys distributed under subsection (d) of

1 Section 7.2 of the General Obligation Bond Act. In determining
2 this maximum for State fiscal years 2008 through 2010, however,
3 the amount referred to in item (i) shall be increased, as a
4 percentage of the applicable employee payroll, in equal
5 increments calculated from the sum of the required State
6 contribution for State fiscal year 2007 plus the applicable
7 portion of the State's total debt service payments for fiscal
8 year 2007 on the bonds issued for the purposes of Section 7.2
9 of the General Obligation Bond Act, so that, by State fiscal
10 year 2011, the State is contributing at the rate otherwise
11 required under this Section.

12 (d) For purposes of determining the required State
13 contribution to the System, the value of the System's assets
14 shall be equal to the actuarial value of the System's assets,
15 which shall be calculated as follows:

16 As of June 30, 2008, the actuarial value of the System's
17 assets shall be equal to the market value of the assets as of
18 that date. In determining the actuarial value of the System's
19 assets for fiscal years after June 30, 2008, any actuarial
20 gains or losses from investment return incurred in a fiscal
21 year shall be recognized in equal annual amounts over the
22 5-year period following that fiscal year.

23 (e) For purposes of determining the required State
24 contribution to the system for a particular year, the actuarial
25 value of assets shall be assumed to earn a rate of return equal
26 to the system's actuarially assumed rate of return.

1 (Source: P.A. 94-4, eff. 6-1-05; 94-839, eff. 6-6-06; 95-950,
2 eff. 8-29-08.)

3 (40 ILCS 5/14-131) (from Ch. 108 1/2, par. 14-131)
4 Sec. 14-131. Contributions by State.

5 (a) The State shall make contributions to the System by
6 appropriations of amounts which, together with other employer
7 contributions from trust, federal, and other funds, employee
8 contributions, investment income, and other income, will be
9 sufficient to meet the cost of maintaining and administering
10 the System on a 90% funded basis in accordance with actuarial
11 recommendations.

12 For the purposes of this Section and Section 14-135.08,
13 references to State contributions refer only to employer
14 contributions and do not include employee contributions that
15 are picked up or otherwise paid by the State or a department on
16 behalf of the employee.

17 (b) The Board shall determine the total amount of State
18 contributions required for each fiscal year on the basis of the
19 actuarial tables and other assumptions adopted by the Board,
20 using the formula in subsection (e).

21 The Board shall also determine a State contribution rate
22 for each fiscal year, expressed as a percentage of payroll,
23 based on the total required State contribution for that fiscal
24 year (less the amount received by the System from
25 appropriations under Section 8.12 of the State Finance Act and

1 Section 1 of the State Pension Funds Continuing Appropriation
2 Act, if any, for the fiscal year ending on the June 30
3 immediately preceding the applicable November 15 certification
4 deadline), the estimated payroll (including all forms of
5 compensation) for personal services rendered by eligible
6 employees, and the recommendations of the actuary.

7 For the purposes of this Section and Section 14.1 of the
8 State Finance Act, the term "eligible employees" includes
9 employees who participate in the System, persons who may elect
10 to participate in the System but have not so elected, persons
11 who are serving a qualifying period that is required for
12 participation, and annuitants employed by a department as
13 described in subdivision (a) (1) or (a) (2) of Section 14-111.

14 (c) Contributions shall be made by the several departments
15 for each pay period by warrants drawn by the State Comptroller
16 against their respective funds or appropriations based upon
17 vouchers stating the amount to be so contributed. These amounts
18 shall be based on the full rate certified by the Board under
19 Section 14-135.08 for that fiscal year. From the effective date
20 of this amendatory Act of the 93rd General Assembly through the
21 payment of the final payroll from fiscal year 2004
22 appropriations, the several departments shall not make
23 contributions for the remainder of fiscal year 2004 but shall
24 instead make payments as required under subsection (a-1) of
25 Section 14.1 of the State Finance Act. The several departments
26 shall resume those contributions at the commencement of fiscal

1 year 2005.

2 (d) If an employee is paid from trust funds or federal
3 funds, the department or other employer shall pay employer
4 contributions from those funds to the System at the certified
5 rate, unless the terms of the trust or the federal-State
6 agreement preclude the use of the funds for that purpose, in
7 which case the required employer contributions shall be paid by
8 the State. From the effective date of this amendatory Act of
9 the 93rd General Assembly through the payment of the final
10 payroll from fiscal year 2004 appropriations, the department or
11 other employer shall not pay contributions for the remainder of
12 fiscal year 2004 but shall instead make payments as required
13 under subsection (a-1) of Section 14.1 of the State Finance
14 Act. The department or other employer shall resume payment of
15 contributions at the commencement of fiscal year 2005.

16 (e) For State fiscal years 2011 through 2045, the minimum
17 contribution to the System to be made by the State for each
18 fiscal year shall be an amount determined by the System to be
19 sufficient to bring the total assets of the System up to 90% of
20 the total actuarial liabilities of the System by the end of
21 State fiscal year 2045. In making these determinations, the
22 required State contribution shall be calculated each year as a
23 level percentage of payroll over the years remaining to and
24 including fiscal year 2045 and shall be determined under the
25 projected unit credit actuarial cost method.

26 For State fiscal years 1996 through 2005, the State

1 contribution to the System, as a percentage of the applicable
2 employee payroll, shall be increased in equal annual increments
3 so that by State fiscal year 2011, the State is contributing at
4 the rate required under this Section; except that (i) for State
5 fiscal year 1998, for all purposes of this Code and any other
6 law of this State, the certified percentage of the applicable
7 employee payroll shall be 5.052% for employees earning eligible
8 creditable service under Section 14-110 and 6.500% for all
9 other employees, notwithstanding any contrary certification
10 made under Section 14-135.08 before the effective date of this
11 amendatory Act of 1997, and (ii) in the following specified
12 State fiscal years, the State contribution to the System shall
13 not be less than the following indicated percentages of the
14 applicable employee payroll, even if the indicated percentage
15 will produce a State contribution in excess of the amount
16 otherwise required under this subsection and subsection (a):
17 9.8% in FY 1999; 10.0% in FY 2000; 10.2% in FY 2001; 10.4% in FY
18 2002; 10.6% in FY 2003; and 10.8% in FY 2004.

19 Notwithstanding any other provision of this Article, the
20 total required State contribution to the System for State
21 fiscal year 2006 is \$203,783,900.

22 Notwithstanding any other provision of this Article, the
23 total required State contribution to the System for State
24 fiscal year 2007 is \$344,164,400.

25 For each of State fiscal years 2008 through 2009 ~~2010~~, the
26 State contribution to the System, as a percentage of the

1 applicable employee payroll, shall be increased in equal annual
2 increments from the required State contribution for State
3 fiscal year 2007, so that by State fiscal year 2011, the State
4 is contributing at the rate otherwise required under this
5 Section.

6 Notwithstanding any other provision of this Article, the
7 total required State General Revenue Fund contribution for
8 State fiscal year 2010 is \$723,703,100 and shall be made from
9 the proceeds of bonds sold in fiscal year 2010 pursuant to
10 Section 7.2 of the General Obligation Bond Act, less (i) the
11 pro rata share of bond sale expenses determined by the System's
12 share of total bond proceeds, (ii) any amounts received from
13 the General Revenue Fund in fiscal year 2010, and (iii) any
14 reduction in bond proceeds due to the issuance of discounted
15 bonds, if applicable.

16 Beginning in State fiscal year 2046, the minimum State
17 contribution for each fiscal year shall be the amount needed to
18 maintain the total assets of the System at 90% of the total
19 actuarial liabilities of the System.

20 Amounts received by the System pursuant to Section 25 of
21 the Budget Stabilization Act or Section 8.12 of the State
22 Finance Act in any fiscal year do not reduce and do not
23 constitute payment of any portion of the minimum State
24 contribution required under this Article in that fiscal year.
25 Such amounts shall not reduce, and shall not be included in the
26 calculation of, the required State contributions under this

1 Article in any future year until the System has reached a
2 funding ratio of at least 90%. A reference in this Article to
3 the "required State contribution" or any substantially similar
4 term does not include or apply to any amounts payable to the
5 System under Section 25 of the Budget Stabilization Act.

6 Notwithstanding any other provision of this Section, the
7 required State contribution for State fiscal year 2005 and for
8 fiscal year 2008 and each fiscal year thereafter, as calculated
9 under this Section and certified under Section 14-135.08, shall
10 not exceed an amount equal to (i) the amount of the required
11 State contribution that would have been calculated under this
12 Section for that fiscal year if the System had not received any
13 payments under subsection (d) of Section 7.2 of the General
14 Obligation Bond Act, minus (ii) the portion of the State's
15 total debt service payments for that fiscal year on the bonds
16 issued for the purposes of that Section 7.2, as determined and
17 certified by the Comptroller, that is the same as the System's
18 portion of the total moneys distributed under subsection (d) of
19 Section 7.2 of the General Obligation Bond Act. In determining
20 this maximum for State fiscal years 2008 through 2010, however,
21 the amount referred to in item (i) shall be increased, as a
22 percentage of the applicable employee payroll, in equal
23 increments calculated from the sum of the required State
24 contribution for State fiscal year 2007 plus the applicable
25 portion of the State's total debt service payments for fiscal
26 year 2007 on the bonds issued for the purposes of Section 7.2

1 of the General Obligation Bond Act, so that, by State fiscal
2 year 2011, the State is contributing at the rate otherwise
3 required under this Section.

4 (f) After the submission of all payments for eligible
5 employees from personal services line items in fiscal year 2004
6 have been made, the Comptroller shall provide to the System a
7 certification of the sum of all fiscal year 2004 expenditures
8 for personal services that would have been covered by payments
9 to the System under this Section if the provisions of this
10 amendatory Act of the 93rd General Assembly had not been
11 enacted. Upon receipt of the certification, the System shall
12 determine the amount due to the System based on the full rate
13 certified by the Board under Section 14-135.08 for fiscal year
14 2004 in order to meet the State's obligation under this
15 Section. The System shall compare this amount due to the amount
16 received by the System in fiscal year 2004 through payments
17 under this Section and under Section 6z-61 of the State Finance
18 Act. If the amount due is more than the amount received, the
19 difference shall be termed the "Fiscal Year 2004 Shortfall" for
20 purposes of this Section, and the Fiscal Year 2004 Shortfall
21 shall be satisfied under Section 1.2 of the State Pension Funds
22 Continuing Appropriation Act. If the amount due is less than
23 the amount received, the difference shall be termed the "Fiscal
24 Year 2004 Overpayment" for purposes of this Section, and the
25 Fiscal Year 2004 Overpayment shall be repaid by the System to
26 the Pension Contribution Fund as soon as practicable after the

1 certification.

2 (g) For purposes of determining the required State
3 contribution to the System, the value of the System's assets
4 shall be equal to the actuarial value of the System's assets,
5 which shall be calculated as follows:

6 As of June 30, 2008, the actuarial value of the System's
7 assets shall be equal to the market value of the assets as of
8 that date. In determining the actuarial value of the System's
9 assets for fiscal years after June 30, 2008, any actuarial
10 gains or losses from investment return incurred in a fiscal
11 year shall be recognized in equal annual amounts over the
12 5-year period following that fiscal year.

13 (h) For purposes of determining the required State
14 contribution to the system for a particular year, the actuarial
15 value of assets shall be assumed to earn a rate of return equal
16 to the system's actuarially assumed rate of return.

17 (Source: P.A. 94-4, eff. 6-1-05; 94-839, eff. 6-6-06; 95-950,
18 eff. 8-29-08.)

19 (40 ILCS 5/15-155) (from Ch. 108 1/2, par. 15-155)
20 Sec. 15-155. Employer contributions.

21 (a) The State of Illinois shall make contributions by
22 appropriations of amounts which, together with the other
23 employer contributions from trust, federal, and other funds,
24 employee contributions, income from investments, and other
25 income of this System, will be sufficient to meet the cost of

1 maintaining and administering the System on a 90% funded basis
2 in accordance with actuarial recommendations.

3 The Board shall determine the amount of State contributions
4 required for each fiscal year on the basis of the actuarial
5 tables and other assumptions adopted by the Board and the
6 recommendations of the actuary, using the formula in subsection
7 (a-1).

8 (a-1) For State fiscal years 2011 through 2045, the minimum
9 contribution to the System to be made by the State for each
10 fiscal year shall be an amount determined by the System to be
11 sufficient to bring the total assets of the System up to 90% of
12 the total actuarial liabilities of the System by the end of
13 State fiscal year 2045. In making these determinations, the
14 required State contribution shall be calculated each year as a
15 level percentage of payroll over the years remaining to and
16 including fiscal year 2045 and shall be determined under the
17 projected unit credit actuarial cost method.

18 For State fiscal years 1996 through 2005, the State
19 contribution to the System, as a percentage of the applicable
20 employee payroll, shall be increased in equal annual increments
21 so that by State fiscal year 2011, the State is contributing at
22 the rate required under this Section.

23 Notwithstanding any other provision of this Article, the
24 total required State contribution for State fiscal year 2006 is
25 \$166,641,900.

26 Notwithstanding any other provision of this Article, the

1 total required State contribution for State fiscal year 2007 is
2 \$252,064,100.

3 For each of State fiscal years 2008 through 2009 ~~2010~~, the
4 State contribution to the System, as a percentage of the
5 applicable employee payroll, shall be increased in equal annual
6 increments from the required State contribution for State
7 fiscal year 2007, so that by State fiscal year 2011, the State
8 is contributing at the rate otherwise required under this
9 Section.

10 Notwithstanding any other provision of this Article, the
11 total required State contribution for State fiscal year 2010 is
12 \$702,514,000 and shall be made from the State Pensions Fund and
13 proceeds of bonds sold in fiscal year 2010 pursuant to Section
14 7.2 of the General Obligation Bond Act, less (i) the pro rata
15 share of bond sale expenses determined by the System's share of
16 total bond proceeds, (ii) any amounts received from the General
17 Revenue Fund in fiscal year 2010, (iii) any reduction in bond
18 proceeds due to the issuance of discounted bonds, if
19 applicable.

20 Beginning in State fiscal year 2046, the minimum State
21 contribution for each fiscal year shall be the amount needed to
22 maintain the total assets of the System at 90% of the total
23 actuarial liabilities of the System.

24 Amounts received by the System pursuant to Section 25 of
25 the Budget Stabilization Act or Section 8.12 of the State
26 Finance Act in any fiscal year do not reduce and do not

1 constitute payment of any portion of the minimum State
2 contribution required under this Article in that fiscal year.
3 Such amounts shall not reduce, and shall not be included in the
4 calculation of, the required State contributions under this
5 Article in any future year until the System has reached a
6 funding ratio of at least 90%. A reference in this Article to
7 the "required State contribution" or any substantially similar
8 term does not include or apply to any amounts payable to the
9 System under Section 25 of the Budget Stabilization Act.

10 Notwithstanding any other provision of this Section, the
11 required State contribution for State fiscal year 2005 and for
12 fiscal year 2008 and each fiscal year thereafter, as calculated
13 under this Section and certified under Section 15-165, shall
14 not exceed an amount equal to (i) the amount of the required
15 State contribution that would have been calculated under this
16 Section for that fiscal year if the System had not received any
17 payments under subsection (d) of Section 7.2 of the General
18 Obligation Bond Act, minus (ii) the portion of the State's
19 total debt service payments for that fiscal year on the bonds
20 issued for the purposes of that Section 7.2, as determined and
21 certified by the Comptroller, that is the same as the System's
22 portion of the total moneys distributed under subsection (d) of
23 Section 7.2 of the General Obligation Bond Act. In determining
24 this maximum for State fiscal years 2008 through 2010, however,
25 the amount referred to in item (i) shall be increased, as a
26 percentage of the applicable employee payroll, in equal

1 increments calculated from the sum of the required State
2 contribution for State fiscal year 2007 plus the applicable
3 portion of the State's total debt service payments for fiscal
4 year 2007 on the bonds issued for the purposes of Section 7.2
5 of the General Obligation Bond Act, so that, by State fiscal
6 year 2011, the State is contributing at the rate otherwise
7 required under this Section.

8 (b) If an employee is paid from trust or federal funds, the
9 employer shall pay to the Board contributions from those funds
10 which are sufficient to cover the accruing normal costs on
11 behalf of the employee. However, universities having employees
12 who are compensated out of local auxiliary funds, income funds,
13 or service enterprise funds are not required to pay such
14 contributions on behalf of those employees. The local auxiliary
15 funds, income funds, and service enterprise funds of
16 universities shall not be considered trust funds for the
17 purpose of this Article, but funds of alumni associations,
18 foundations, and athletic associations which are affiliated
19 with the universities included as employers under this Article
20 and other employers which do not receive State appropriations
21 are considered to be trust funds for the purpose of this
22 Article.

23 (b-1) The City of Urbana and the City of Champaign shall
24 each make employer contributions to this System for their
25 respective firefighter employees who participate in this
26 System pursuant to subsection (h) of Section 15-107. The rate

1 of contributions to be made by those municipalities shall be
2 determined annually by the Board on the basis of the actuarial
3 assumptions adopted by the Board and the recommendations of the
4 actuary, and shall be expressed as a percentage of salary for
5 each such employee. The Board shall certify the rate to the
6 affected municipalities as soon as may be practical. The
7 employer contributions required under this subsection shall be
8 remitted by the municipality to the System at the same time and
9 in the same manner as employee contributions.

10 (c) Through State fiscal year 1995: The total employer
11 contribution shall be apportioned among the various funds of
12 the State and other employers, whether trust, federal, or other
13 funds, in accordance with actuarial procedures approved by the
14 Board. State of Illinois contributions for employers receiving
15 State appropriations for personal services shall be payable
16 from appropriations made to the employers or to the System. The
17 contributions for Class I community colleges covering earnings
18 other than those paid from trust and federal funds, shall be
19 payable solely from appropriations to the Illinois Community
20 College Board or the System for employer contributions.

21 (d) Beginning in State fiscal year 1996, the required State
22 contributions to the System shall be appropriated directly to
23 the System and shall be payable through vouchers issued in
24 accordance with subsection (c) of Section 15-165, except as
25 provided in subsection (g).

26 (e) The State Comptroller shall draw warrants payable to

1 the System upon proper certification by the System or by the
2 employer in accordance with the appropriation laws and this
3 Code.

4 (f) Normal costs under this Section means liability for
5 pensions and other benefits which accrues to the System because
6 of the credits earned for service rendered by the participants
7 during the fiscal year and expenses of administering the
8 System, but shall not include the principal of or any
9 redemption premium or interest on any bonds issued by the Board
10 or any expenses incurred or deposits required in connection
11 therewith.

12 (g) If the amount of a participant's earnings for any
13 academic year used to determine the final rate of earnings,
14 determined on a full-time equivalent basis, exceeds the amount
15 of his or her earnings with the same employer for the previous
16 academic year, determined on a full-time equivalent basis, by
17 more than 6%, the participant's employer shall pay to the
18 System, in addition to all other payments required under this
19 Section and in accordance with guidelines established by the
20 System, the present value of the increase in benefits resulting
21 from the portion of the increase in earnings that is in excess
22 of 6%. This present value shall be computed by the System on
23 the basis of the actuarial assumptions and tables used in the
24 most recent actuarial valuation of the System that is available
25 at the time of the computation. The System may require the
26 employer to provide any pertinent information or

1 documentation.

2 Whenever it determines that a payment is or may be required
3 under this subsection (g), the System shall calculate the
4 amount of the payment and bill the employer for that amount.
5 The bill shall specify the calculations used to determine the
6 amount due. If the employer disputes the amount of the bill, it
7 may, within 30 days after receipt of the bill, apply to the
8 System in writing for a recalculation. The application must
9 specify in detail the grounds of the dispute and, if the
10 employer asserts that the calculation is subject to subsection
11 (h) or (i) of this Section, must include an affidavit setting
12 forth and attesting to all facts within the employer's
13 knowledge that are pertinent to the applicability of subsection
14 (h) or (i). Upon receiving a timely application for
15 recalculation, the System shall review the application and, if
16 appropriate, recalculate the amount due.

17 The employer contributions required under this subsection
18 (f) may be paid in the form of a lump sum within 90 days after
19 receipt of the bill. If the employer contributions are not paid
20 within 90 days after receipt of the bill, then interest will be
21 charged at a rate equal to the System's annual actuarially
22 assumed rate of return on investment compounded annually from
23 the 91st day after receipt of the bill. Payments must be
24 concluded within 3 years after the employer's receipt of the
25 bill.

26 (h) This subsection (h) applies only to payments made or

1 salary increases given on or after June 1, 2005 but before July
2 1, 2011. The changes made by Public Act 94-1057 shall not
3 require the System to refund any payments received before July
4 31, 2006 (the effective date of Public Act 94-1057).

5 When assessing payment for any amount due under subsection
6 (g), the System shall exclude earnings increases paid to
7 participants under contracts or collective bargaining
8 agreements entered into, amended, or renewed before June 1,
9 2005.

10 When assessing payment for any amount due under subsection
11 (g), the System shall exclude earnings increases paid to a
12 participant at a time when the participant is 10 or more years
13 from retirement eligibility under Section 15-135.

14 When assessing payment for any amount due under subsection
15 (g), the System shall exclude earnings increases resulting from
16 overload work, including a contract for summer teaching, or
17 overtime when the employer has certified to the System, and the
18 System has approved the certification, that: (i) in the case of
19 overloads (A) the overload work is for the sole purpose of
20 academic instruction in excess of the standard number of
21 instruction hours for a full-time employee occurring during the
22 academic year that the overload is paid and (B) the earnings
23 increases are equal to or less than the rate of pay for
24 academic instruction computed using the participant's current
25 salary rate and work schedule; and (ii) in the case of
26 overtime, the overtime was necessary for the educational

1 mission.

2 When assessing payment for any amount due under subsection
3 (g), the System shall exclude any earnings increase resulting
4 from (i) a promotion for which the employee moves from one
5 classification to a higher classification under the State
6 Universities Civil Service System, (ii) a promotion in academic
7 rank for a tenured or tenure-track faculty position, or (iii) a
8 promotion that the Illinois Community College Board has
9 recommended in accordance with subsection (k) of this Section.
10 These earnings increases shall be excluded only if the
11 promotion is to a position that has existed and been filled by
12 a member for no less than one complete academic year and the
13 earnings increase as a result of the promotion is an increase
14 that results in an amount no greater than the average salary
15 paid for other similar positions.

16 (i) When assessing payment for any amount due under
17 subsection (g), the System shall exclude any salary increase
18 described in subsection (h) of this Section given on or after
19 July 1, 2011 but before July 1, 2014 under a contract or
20 collective bargaining agreement entered into, amended, or
21 renewed on or after June 1, 2005 but before July 1, 2011.
22 Notwithstanding any other provision of this Section, any
23 payments made or salary increases given after June 30, 2014
24 shall be used in assessing payment for any amount due under
25 subsection (g) of this Section.

26 (j) The System shall prepare a report and file copies of

1 the report with the Governor and the General Assembly by
2 January 1, 2007 that contains all of the following information:

3 (1) The number of recalculations required by the
4 changes made to this Section by Public Act 94-1057 for each
5 employer.

6 (2) The dollar amount by which each employer's
7 contribution to the System was changed due to
8 recalculations required by Public Act 94-1057.

9 (3) The total amount the System received from each
10 employer as a result of the changes made to this Section by
11 Public Act 94-4.

12 (4) The increase in the required State contribution
13 resulting from the changes made to this Section by Public
14 Act 94-1057.

15 (k) The Illinois Community College Board shall adopt rules
16 for recommending lists of promotional positions submitted to
17 the Board by community colleges and for reviewing the
18 promotional lists on an annual basis. When recommending
19 promotional lists, the Board shall consider the similarity of
20 the positions submitted to those positions recognized for State
21 universities by the State Universities Civil Service System.
22 The Illinois Community College Board shall file a copy of its
23 findings with the System. The System shall consider the
24 findings of the Illinois Community College Board when making
25 determinations under this Section. The System shall not exclude
26 any earnings increases resulting from a promotion when the

1 promotion was not submitted by a community college. Nothing in
2 this subsection (k) shall require any community college to
3 submit any information to the Community College Board.

4 (l) For purposes of determining the required State
5 contribution to the System, the value of the System's assets
6 shall be equal to the actuarial value of the System's assets,
7 which shall be calculated as follows:

8 As of June 30, 2008, the actuarial value of the System's
9 assets shall be equal to the market value of the assets as of
10 that date. In determining the actuarial value of the System's
11 assets for fiscal years after June 30, 2008, any actuarial
12 gains or losses from investment return incurred in a fiscal
13 year shall be recognized in equal annual amounts over the
14 5-year period following that fiscal year.

15 (m) For purposes of determining the required State
16 contribution to the system for a particular year, the actuarial
17 value of assets shall be assumed to earn a rate of return equal
18 to the system's actuarially assumed rate of return.

19 (Source: P.A. 94-4, eff. 6-1-05; 94-839, eff. 6-6-06; 94-1057,
20 eff. 7-31-06; 95-331, eff. 8-21-07; 95-950, eff. 8-29-08.)

21 (40 ILCS 5/16-158) (from Ch. 108 1/2, par. 16-158)

22 Sec. 16-158. Contributions by State and other employing
23 units.

24 (a) The State shall make contributions to the System by
25 means of appropriations from the Common School Fund and other

1 State funds of amounts which, together with other employer
2 contributions, employee contributions, investment income, and
3 other income, will be sufficient to meet the cost of
4 maintaining and administering the System on a 90% funded basis
5 in accordance with actuarial recommendations.

6 The Board shall determine the amount of State contributions
7 required for each fiscal year on the basis of the actuarial
8 tables and other assumptions adopted by the Board and the
9 recommendations of the actuary, using the formula in subsection
10 (b-3).

11 (a-1) Annually, on or before November 15, the Board shall
12 certify to the Governor the amount of the required State
13 contribution for the coming fiscal year. The certification
14 shall include a copy of the actuarial recommendations upon
15 which it is based.

16 On or before May 1, 2004, the Board shall recalculate and
17 recertify to the Governor the amount of the required State
18 contribution to the System for State fiscal year 2005, taking
19 into account the amounts appropriated to and received by the
20 System under subsection (d) of Section 7.2 of the General
21 Obligation Bond Act.

22 On or before July 1, 2005, the Board shall recalculate and
23 recertify to the Governor the amount of the required State
24 contribution to the System for State fiscal year 2006, taking
25 into account the changes in required State contributions made
26 by this amendatory Act of the 94th General Assembly.

1 (b) Through State fiscal year 1995, the State contributions
2 shall be paid to the System in accordance with Section 18-7 of
3 the School Code.

4 (b-1) Beginning in State fiscal year 1996, on the 15th day
5 of each month, or as soon thereafter as may be practicable, the
6 Board shall submit vouchers for payment of State contributions
7 to the System, in a total monthly amount of one-twelfth of the
8 required annual State contribution certified under subsection
9 (a-1). From the effective date of this amendatory Act of the
10 93rd General Assembly through June 30, 2004, the Board shall
11 not submit vouchers for the remainder of fiscal year 2004 in
12 excess of the fiscal year 2004 certified contribution amount
13 determined under this Section after taking into consideration
14 the transfer to the System under subsection (a) of Section
15 6z-61 of the State Finance Act. These vouchers shall be paid by
16 the State Comptroller and Treasurer by warrants drawn on the
17 funds appropriated to the System for that fiscal year.

18 If in any month the amount remaining unexpended from all
19 other appropriations to the System for the applicable fiscal
20 year (including the appropriations to the System under Section
21 8.12 of the State Finance Act and Section 1 of the State
22 Pension Funds Continuing Appropriation Act) is less than the
23 amount lawfully vouchered under this subsection, the
24 difference shall be paid from the Common School Fund under the
25 continuing appropriation authority provided in Section 1.1 of
26 the State Pension Funds Continuing Appropriation Act.

1 (b-2) Allocations from the Common School Fund apportioned
2 to school districts not coming under this System shall not be
3 diminished or affected by the provisions of this Article.

4 (b-3) For State fiscal years 2011 through 2045, the minimum
5 contribution to the System to be made by the State for each
6 fiscal year shall be an amount determined by the System to be
7 sufficient to bring the total assets of the System up to 90% of
8 the total actuarial liabilities of the System by the end of
9 State fiscal year 2045. In making these determinations, the
10 required State contribution shall be calculated each year as a
11 level percentage of payroll over the years remaining to and
12 including fiscal year 2045 and shall be determined under the
13 projected unit credit actuarial cost method.

14 For State fiscal years 1996 through 2005, the State
15 contribution to the System, as a percentage of the applicable
16 employee payroll, shall be increased in equal annual increments
17 so that by State fiscal year 2011, the State is contributing at
18 the rate required under this Section; except that in the
19 following specified State fiscal years, the State contribution
20 to the System shall not be less than the following indicated
21 percentages of the applicable employee payroll, even if the
22 indicated percentage will produce a State contribution in
23 excess of the amount otherwise required under this subsection
24 and subsection (a), and notwithstanding any contrary
25 certification made under subsection (a-1) before the effective
26 date of this amendatory Act of 1998: 10.02% in FY 1999; 10.77%

1 in FY 2000; 11.47% in FY 2001; 12.16% in FY 2002; 12.86% in FY
2 2003; and 13.56% in FY 2004.

3 Notwithstanding any other provision of this Article, the
4 total required State contribution for State fiscal year 2006 is
5 \$534,627,700.

6 Notwithstanding any other provision of this Article, the
7 total required State contribution for State fiscal year 2007 is
8 \$738,014,500.

9 For each of State fiscal years 2008 through 2009 ~~2010~~, the
10 State contribution to the System, as a percentage of the
11 applicable employee payroll, shall be increased in equal annual
12 increments from the required State contribution for State
13 fiscal year 2007, so that by State fiscal year 2011, the State
14 is contributing at the rate otherwise required under this
15 Section.

16 Notwithstanding any other provision of this Article, the
17 total required State contribution for State fiscal year 2010 is
18 \$2,089,268,000 and shall be made from the proceeds of bonds
19 sold in fiscal year 2010 pursuant to Section 7.2 of the General
20 Obligation Bond Act, less (i) the pro rata share of bond sale
21 expenses determined by the System's share of total bond
22 proceeds, (ii) any amounts received from the Common School Fund
23 in fiscal year 2010, and (iii) any reduction in bond proceeds
24 due to the issuance of discounted bonds, if applicable.

25 Beginning in State fiscal year 2046, the minimum State
26 contribution for each fiscal year shall be the amount needed to

1 maintain the total assets of the System at 90% of the total
2 actuarial liabilities of the System.

3 Amounts received by the System pursuant to Section 25 of
4 the Budget Stabilization Act or Section 8.12 of the State
5 Finance Act in any fiscal year do not reduce and do not
6 constitute payment of any portion of the minimum State
7 contribution required under this Article in that fiscal year.
8 Such amounts shall not reduce, and shall not be included in the
9 calculation of, the required State contributions under this
10 Article in any future year until the System has reached a
11 funding ratio of at least 90%. A reference in this Article to
12 the "required State contribution" or any substantially similar
13 term does not include or apply to any amounts payable to the
14 System under Section 25 of the Budget Stabilization Act.

15 Notwithstanding any other provision of this Section, the
16 required State contribution for State fiscal year 2005 and for
17 fiscal year 2008 and each fiscal year thereafter, as calculated
18 under this Section and certified under subsection (a-1), shall
19 not exceed an amount equal to (i) the amount of the required
20 State contribution that would have been calculated under this
21 Section for that fiscal year if the System had not received any
22 payments under subsection (d) of Section 7.2 of the General
23 Obligation Bond Act, minus (ii) the portion of the State's
24 total debt service payments for that fiscal year on the bonds
25 issued for the purposes of that Section 7.2, as determined and
26 certified by the Comptroller, that is the same as the System's

1 portion of the total moneys distributed under subsection (d) of
2 Section 7.2 of the General Obligation Bond Act. In determining
3 this maximum for State fiscal years 2008 through 2010, however,
4 the amount referred to in item (i) shall be increased, as a
5 percentage of the applicable employee payroll, in equal
6 increments calculated from the sum of the required State
7 contribution for State fiscal year 2007 plus the applicable
8 portion of the State's total debt service payments for fiscal
9 year 2007 on the bonds issued for the purposes of Section 7.2
10 of the General Obligation Bond Act, so that, by State fiscal
11 year 2011, the State is contributing at the rate otherwise
12 required under this Section.

13 (c) Payment of the required State contributions and of all
14 pensions, retirement annuities, death benefits, refunds, and
15 other benefits granted under or assumed by this System, and all
16 expenses in connection with the administration and operation
17 thereof, are obligations of the State.

18 If members are paid from special trust or federal funds
19 which are administered by the employing unit, whether school
20 district or other unit, the employing unit shall pay to the
21 System from such funds the full accruing retirement costs based
22 upon that service, as determined by the System. Employer
23 contributions, based on salary paid to members from federal
24 funds, may be forwarded by the distributing agency of the State
25 of Illinois to the System prior to allocation, in an amount
26 determined in accordance with guidelines established by such

1 agency and the System.

2 (d) Effective July 1, 1986, any employer of a teacher as
3 defined in paragraph (8) of Section 16-106 shall pay the
4 employer's normal cost of benefits based upon the teacher's
5 service, in addition to employee contributions, as determined
6 by the System. Such employer contributions shall be forwarded
7 monthly in accordance with guidelines established by the
8 System.

9 However, with respect to benefits granted under Section
10 16-133.4 or 16-133.5 to a teacher as defined in paragraph (8)
11 of Section 16-106, the employer's contribution shall be 12%
12 (rather than 20%) of the member's highest annual salary rate
13 for each year of creditable service granted, and the employer
14 shall also pay the required employee contribution on behalf of
15 the teacher. For the purposes of Sections 16-133.4 and
16 16-133.5, a teacher as defined in paragraph (8) of Section
17 16-106 who is serving in that capacity while on leave of
18 absence from another employer under this Article shall not be
19 considered an employee of the employer from which the teacher
20 is on leave.

21 (e) Beginning July 1, 1998, every employer of a teacher
22 shall pay to the System an employer contribution computed as
23 follows:

24 (1) Beginning July 1, 1998 through June 30, 1999, the
25 employer contribution shall be equal to 0.3% of each
26 teacher's salary.

1 (2) Beginning July 1, 1999 and thereafter, the employer
2 contribution shall be equal to 0.58% of each teacher's
3 salary.

4 The school district or other employing unit may pay these
5 employer contributions out of any source of funding available
6 for that purpose and shall forward the contributions to the
7 System on the schedule established for the payment of member
8 contributions.

9 These employer contributions are intended to offset a
10 portion of the cost to the System of the increases in
11 retirement benefits resulting from this amendatory Act of 1998.

12 Each employer of teachers is entitled to a credit against
13 the contributions required under this subsection (e) with
14 respect to salaries paid to teachers for the period January 1,
15 2002 through June 30, 2003, equal to the amount paid by that
16 employer under subsection (a-5) of Section 6.6 of the State
17 Employees Group Insurance Act of 1971 with respect to salaries
18 paid to teachers for that period.

19 The additional 1% employee contribution required under
20 Section 16-152 by this amendatory Act of 1998 is the
21 responsibility of the teacher and not the teacher's employer,
22 unless the employer agrees, through collective bargaining or
23 otherwise, to make the contribution on behalf of the teacher.

24 If an employer is required by a contract in effect on May
25 1, 1998 between the employer and an employee organization to
26 pay, on behalf of all its full-time employees covered by this

1 Article, all mandatory employee contributions required under
2 this Article, then the employer shall be excused from paying
3 the employer contribution required under this subsection (e)
4 for the balance of the term of that contract. The employer and
5 the employee organization shall jointly certify to the System
6 the existence of the contractual requirement, in such form as
7 the System may prescribe. This exclusion shall cease upon the
8 termination, extension, or renewal of the contract at any time
9 after May 1, 1998.

10 (f) If the amount of a teacher's salary for any school year
11 used to determine final average salary exceeds the member's
12 annual full-time salary rate with the same employer for the
13 previous school year by more than 6%, the teacher's employer
14 shall pay to the System, in addition to all other payments
15 required under this Section and in accordance with guidelines
16 established by the System, the present value of the increase in
17 benefits resulting from the portion of the increase in salary
18 that is in excess of 6%. This present value shall be computed
19 by the System on the basis of the actuarial assumptions and
20 tables used in the most recent actuarial valuation of the
21 System that is available at the time of the computation. If a
22 teacher's salary for the 2005-2006 school year is used to
23 determine final average salary under this subsection (f), then
24 the changes made to this subsection (f) by Public Act 94-1057
25 shall apply in calculating whether the increase in his or her
26 salary is in excess of 6%. For the purposes of this Section,

1 change in employment under Section 10-21.12 of the School Code
2 on or after June 1, 2005 shall constitute a change in employer.
3 The System may require the employer to provide any pertinent
4 information or documentation. The changes made to this
5 subsection (f) by this amendatory Act of the 94th General
6 Assembly apply without regard to whether the teacher was in
7 service on or after its effective date.

8 Whenever it determines that a payment is or may be required
9 under this subsection, the System shall calculate the amount of
10 the payment and bill the employer for that amount. The bill
11 shall specify the calculations used to determine the amount
12 due. If the employer disputes the amount of the bill, it may,
13 within 30 days after receipt of the bill, apply to the System
14 in writing for a recalculation. The application must specify in
15 detail the grounds of the dispute and, if the employer asserts
16 that the calculation is subject to subsection (g) or (h) of
17 this Section, must include an affidavit setting forth and
18 attesting to all facts within the employer's knowledge that are
19 pertinent to the applicability of that subsection. Upon
20 receiving a timely application for recalculation, the System
21 shall review the application and, if appropriate, recalculate
22 the amount due.

23 The employer contributions required under this subsection
24 (f) may be paid in the form of a lump sum within 90 days after
25 receipt of the bill. If the employer contributions are not paid
26 within 90 days after receipt of the bill, then interest will be

1 charged at a rate equal to the System's annual actuarially
2 assumed rate of return on investment compounded annually from
3 the 91st day after receipt of the bill. Payments must be
4 concluded within 3 years after the employer's receipt of the
5 bill.

6 (g) This subsection (g) applies only to payments made or
7 salary increases given on or after June 1, 2005 but before July
8 1, 2011. The changes made by Public Act 94-1057 shall not
9 require the System to refund any payments received before July
10 31, 2006 (the effective date of Public Act 94-1057).

11 When assessing payment for any amount due under subsection
12 (f), the System shall exclude salary increases paid to teachers
13 under contracts or collective bargaining agreements entered
14 into, amended, or renewed before June 1, 2005.

15 When assessing payment for any amount due under subsection
16 (f), the System shall exclude salary increases paid to a
17 teacher at a time when the teacher is 10 or more years from
18 retirement eligibility under Section 16-132 or 16-133.2.

19 When assessing payment for any amount due under subsection
20 (f), the System shall exclude salary increases resulting from
21 overload work, including summer school, when the school
22 district has certified to the System, and the System has
23 approved the certification, that (i) the overload work is for
24 the sole purpose of classroom instruction in excess of the
25 standard number of classes for a full-time teacher in a school
26 district during a school year and (ii) the salary increases are

1 equal to or less than the rate of pay for classroom instruction
2 computed on the teacher's current salary and work schedule.

3 When assessing payment for any amount due under subsection
4 (f), the System shall exclude a salary increase resulting from
5 a promotion (i) for which the employee is required to hold a
6 certificate or supervisory endorsement issued by the State
7 Teacher Certification Board that is a different certification
8 or supervisory endorsement than is required for the teacher's
9 previous position and (ii) to a position that has existed and
10 been filled by a member for no less than one complete academic
11 year and the salary increase from the promotion is an increase
12 that results in an amount no greater than the lesser of the
13 average salary paid for other similar positions in the district
14 requiring the same certification or the amount stipulated in
15 the collective bargaining agreement for a similar position
16 requiring the same certification.

17 When assessing payment for any amount due under subsection
18 (f), the System shall exclude any payment to the teacher from
19 the State of Illinois or the State Board of Education over
20 which the employer does not have discretion, notwithstanding
21 that the payment is included in the computation of final
22 average salary.

23 (h) When assessing payment for any amount due under
24 subsection (f), the System shall exclude any salary increase
25 described in subsection (g) of this Section given on or after
26 July 1, 2011 but before July 1, 2014 under a contract or

1 collective bargaining agreement entered into, amended, or
2 renewed on or after June 1, 2005 but before July 1, 2011.
3 Notwithstanding any other provision of this Section, any
4 payments made or salary increases given after June 30, 2014
5 shall be used in assessing payment for any amount due under
6 subsection (f) of this Section.

7 (i) The System shall prepare a report and file copies of
8 the report with the Governor and the General Assembly by
9 January 1, 2007 that contains all of the following information:

10 (1) The number of recalculations required by the
11 changes made to this Section by Public Act 94-1057 for each
12 employer.

13 (2) The dollar amount by which each employer's
14 contribution to the System was changed due to
15 recalculations required by Public Act 94-1057.

16 (3) The total amount the System received from each
17 employer as a result of the changes made to this Section by
18 Public Act 94-4.

19 (4) The increase in the required State contribution
20 resulting from the changes made to this Section by Public
21 Act 94-1057.

22 (j) For purposes of determining the required State
23 contribution to the System, the value of the System's assets
24 shall be equal to the actuarial value of the System's assets,
25 which shall be calculated as follows:

26 As of June 30, 2008, the actuarial value of the System's

1 assets shall be equal to the market value of the assets as of
2 that date. In determining the actuarial value of the System's
3 assets for fiscal years after June 30, 2008, any actuarial
4 gains or losses from investment return incurred in a fiscal
5 year shall be recognized in equal annual amounts over the
6 5-year period following that fiscal year.

7 (k) For purposes of determining the required State
8 contribution to the system for a particular year, the actuarial
9 value of assets shall be assumed to earn a rate of return equal
10 to the system's actuarially assumed rate of return.

11 (Source: P.A. 94-4, eff. 6-1-05; 94-839, eff. 6-6-06; 94-1057,
12 eff. 7-31-06; 94-1111, eff. 2-27-07; 95-331, eff. 8-21-07;
13 95-950, eff. 8-29-08.)

14 (40 ILCS 5/18-131) (from Ch. 108 1/2, par. 18-131)

15 Sec. 18-131. Financing; employer contributions.

16 (a) The State of Illinois shall make contributions to this
17 System by appropriations of the amounts which, together with
18 the contributions of participants, net earnings on
19 investments, and other income, will meet the costs of
20 maintaining and administering this System on a 90% funded basis
21 in accordance with actuarial recommendations.

22 (b) The Board shall determine the amount of State
23 contributions required for each fiscal year on the basis of the
24 actuarial tables and other assumptions adopted by the Board and
25 the prescribed rate of interest, using the formula in

1 subsection (c).

2 (c) For State fiscal years 2011 through 2045, the minimum
3 contribution to the System to be made by the State for each
4 fiscal year shall be an amount determined by the System to be
5 sufficient to bring the total assets of the System up to 90% of
6 the total actuarial liabilities of the System by the end of
7 State fiscal year 2045. In making these determinations, the
8 required State contribution shall be calculated each year as a
9 level percentage of payroll over the years remaining to and
10 including fiscal year 2045 and shall be determined under the
11 projected unit credit actuarial cost method.

12 For State fiscal years 1996 through 2005, the State
13 contribution to the System, as a percentage of the applicable
14 employee payroll, shall be increased in equal annual increments
15 so that by State fiscal year 2011, the State is contributing at
16 the rate required under this Section.

17 Notwithstanding any other provision of this Article, the
18 total required State contribution for State fiscal year 2006 is
19 \$29,189,400.

20 Notwithstanding any other provision of this Article, the
21 total required State contribution for State fiscal year 2007 is
22 \$35,236,800.

23 For each of State fiscal years 2008 through 2009 ~~2010~~, the
24 State contribution to the System, as a percentage of the
25 applicable employee payroll, shall be increased in equal annual
26 increments from the required State contribution for State

1 fiscal year 2007, so that by State fiscal year 2011, the State
2 is contributing at the rate otherwise required under this
3 Section.

4 Notwithstanding any other provision of this Article, the
5 total required State contribution for State fiscal year 2010 is
6 \$78,832,000 and shall be made from the proceeds of bonds sold
7 in fiscal year 2010 pursuant to Section 7.2 of the General
8 Obligation Bond Act, less (i) the pro rata share of bond sale
9 expenses determined by the System's share of total bond
10 proceeds, (ii) any amounts received from the General Revenue
11 Fund in fiscal year 2010, and (iii) any reduction in bond
12 proceeds due to the issuance of discounted bonds, if
13 applicable.

14 Beginning in State fiscal year 2046, the minimum State
15 contribution for each fiscal year shall be the amount needed to
16 maintain the total assets of the System at 90% of the total
17 actuarial liabilities of the System.

18 Amounts received by the System pursuant to Section 25 of
19 the Budget Stabilization Act or Section 8.12 of the State
20 Finance Act in any fiscal year do not reduce and do not
21 constitute payment of any portion of the minimum State
22 contribution required under this Article in that fiscal year.
23 Such amounts shall not reduce, and shall not be included in the
24 calculation of, the required State contributions under this
25 Article in any future year until the System has reached a
26 funding ratio of at least 90%. A reference in this Article to

1 the "required State contribution" or any substantially similar
2 term does not include or apply to any amounts payable to the
3 System under Section 25 of the Budget Stabilization Act.

4 Notwithstanding any other provision of this Section, the
5 required State contribution for State fiscal year 2005 and for
6 fiscal year 2008 and each fiscal year thereafter, as calculated
7 under this Section and certified under Section 18-140, shall
8 not exceed an amount equal to (i) the amount of the required
9 State contribution that would have been calculated under this
10 Section for that fiscal year if the System had not received any
11 payments under subsection (d) of Section 7.2 of the General
12 Obligation Bond Act, minus (ii) the portion of the State's
13 total debt service payments for that fiscal year on the bonds
14 issued for the purposes of that Section 7.2, as determined and
15 certified by the Comptroller, that is the same as the System's
16 portion of the total moneys distributed under subsection (d) of
17 Section 7.2 of the General Obligation Bond Act. In determining
18 this maximum for State fiscal years 2008 through 2010, however,
19 the amount referred to in item (i) shall be increased, as a
20 percentage of the applicable employee payroll, in equal
21 increments calculated from the sum of the required State
22 contribution for State fiscal year 2007 plus the applicable
23 portion of the State's total debt service payments for fiscal
24 year 2007 on the bonds issued for the purposes of Section 7.2
25 of the General Obligation Bond Act, so that, by State fiscal
26 year 2011, the State is contributing at the rate otherwise

1 required under this Section.

2 (d) For purposes of determining the required State
3 contribution to the System, the value of the System's assets
4 shall be equal to the actuarial value of the System's assets,
5 which shall be calculated as follows:

6 As of June 30, 2008, the actuarial value of the System's
7 assets shall be equal to the market value of the assets as of
8 that date. In determining the actuarial value of the System's
9 assets for fiscal years after June 30, 2008, any actuarial
10 gains or losses from investment return incurred in a fiscal
11 year shall be recognized in equal annual amounts over the
12 5-year period following that fiscal year.

13 (e) For purposes of determining the required State
14 contribution to the system for a particular year, the actuarial
15 value of assets shall be assumed to earn a rate of return equal
16 to the system's actuarially assumed rate of return.

17 (Source: P.A. 94-4, eff. 6-1-05; 94-839, eff. 6-6-06; 95-950,
18 eff. 8-29-08.)

19 Section 15. The State Pension Funds Continuing
20 Appropriation Act is amended by changing Sections 1.1 and 1.2
21 as follows:

22 (40 ILCS 15/1.1)

23 Sec. 1.1. Appropriations to certain retirement systems.

24 (a) There is hereby appropriated from the General Revenue

1 Fund to the General Assembly Retirement System, on a continuing
2 monthly basis, the amount, if any, by which the total available
3 amount of all other appropriations to that retirement system
4 for the payment of State contributions is less than the total
5 amount of the vouchers for required State contributions
6 lawfully submitted by the retirement system for that month
7 under Section 2-134 of the Illinois Pension Code.

8 (b) There is hereby appropriated from the General Revenue
9 Fund to the State Universities Retirement System, on a
10 continuing monthly basis, the amount, if any, by which the
11 total available amount of all other appropriations to that
12 retirement system for the payment of State contributions,
13 including any deficiency in the required contributions of the
14 optional retirement program established under Section 15-158.2
15 of the Illinois Pension Code, is less than the total amount of
16 the vouchers for required State contributions lawfully
17 submitted by the retirement system for that month under Section
18 15-165 of the Illinois Pension Code.

19 (c) There is hereby appropriated from the Common School
20 Fund to the Teachers' Retirement System of the State of
21 Illinois, on a continuing monthly basis, the amount, if any, by
22 which the total available amount of all other appropriations to
23 that retirement system for the payment of State contributions
24 is less than the total amount of the vouchers for required
25 State contributions lawfully submitted by the retirement
26 system for that month under Section 16-158 of the Illinois

1 Pension Code.

2 (d) There is hereby appropriated from the General Revenue
3 Fund to the Judges Retirement System of Illinois, on a
4 continuing monthly basis, the amount, if any, by which the
5 total available amount of all other appropriations to that
6 retirement system for the payment of State contributions is
7 less than the total amount of the vouchers for required State
8 contributions lawfully submitted by the retirement system for
9 that month under Section 18-140 of the Illinois Pension Code.

10 (e) The continuing appropriations provided by this Section
11 shall first be available in State fiscal year 1996.

12 (f) For State fiscal year 2010 only, the continuing
13 appropriations provided by this Section are equal to the amount
14 certified by each System on or before December 31, 2008, less
15 (i) the gross proceeds of the bonds sold in fiscal year 2010
16 under the authorization contained in subsection (a) of Section
17 7.2 of the General Obligation Bond Act and (ii) any amounts
18 received from the State Pensions Fund.

19 (Source: P.A. 90-448, eff. 8-16-97.)

20 (40 ILCS 15/1.2)

21 Sec. 1.2. Appropriations for the State Employees'
22 Retirement System.

23 (a) From each fund from which an amount is appropriated for
24 personal services to a department or other employer under
25 Article 14 of the Illinois Pension Code, there is hereby

1 appropriated to that department or other employer, on a
2 continuing annual basis for each State fiscal year, an
3 additional amount equal to the amount, if any, by which (1) an
4 amount equal to the percentage of the personal services line
5 item for that department or employer from that fund for that
6 fiscal year that the Board of Trustees of the State Employees'
7 Retirement System of Illinois has certified under Section
8 14-135.08 of the Illinois Pension Code to be necessary to meet
9 the State's obligation under Section 14-131 of the Illinois
10 Pension Code for that fiscal year, exceeds (2) the amounts
11 otherwise appropriated to that department or employer from that
12 fund for State contributions to the State Employees' Retirement
13 System for that fiscal year. From the effective date of this
14 amendatory Act of the 93rd General Assembly through the final
15 payment from a department or employer's personal services line
16 item for fiscal year 2004, payments to the State Employees'
17 Retirement System that otherwise would have been made under
18 this subsection (a) shall be governed by the provisions in
19 subsection (a-1).

20 (a-1) If a Fiscal Year 2004 Shortfall is certified under
21 subsection (f) of Section 14-131 of the Illinois Pension Code,
22 there is hereby appropriated to the State Employees' Retirement
23 System of Illinois on a continuing basis from the General
24 Revenue Fund an additional aggregate amount equal to the Fiscal
25 Year 2004 Shortfall.

26 (b) The continuing appropriations provided for by this

1 Section shall first be available in State fiscal year 1996.

2 (c) Beginning in Fiscal Year 2005, any continuing
3 appropriation under this Section arising out of an
4 appropriation for personal services from the Road Fund to the
5 Department of State Police or the Secretary of State shall be
6 payable from the General Revenue Fund rather than the Road
7 Fund.

8 (d) For State fiscal year 2010 only, a continuing
9 appropriation is provided to the State Employees' Retirement
10 System equal to the amount certified by the System on or before
11 December 31, 2008, less the gross proceeds of the bonds sold in
12 fiscal year 2010 under the authorization contained in
13 subsection (a) of Section 7.2 of the General Obligation Bond
14 Act.

15 (Source: P.A. 93-665, eff. 3-5-04; 93-1067, eff. 1-15-05.)

16 Section 99. Effective date. This Act takes effect upon
17 becoming law."